



7020-02

INTERNATIONAL TRADE COMMISSION
INVESTIGATION NO. 337-TA-753
CERTAIN SEMICONDUCTOR CHIPS AND PRODUCTS CONTAINING SAME
REVIEW OF A FINAL INITIAL DETERMINATION;
SCHEDULE FOR WRITTEN SUBMISSIONS;
TERMINATION OF THE INVESTIGATION AS TO THREE RESPONDENTS

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to terminate the investigation as to three respondents on the basis of settlement. The Commission has also determined to review in the entirety the final initial determination (“final ID”) issued by the presiding administrative law judge (“ALJ”) on March 2, 2012, finding no violation of section 337 of the Tariff Act of 1930, 19 U.S.C. § 1337, in the above-captioned investigation.

FOR FURTHER INFORMATION CONTACT: Sidney A. Rosenzweig, Office of the General Counsel, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 708-2532. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street, S.W., Washington, D.C. 20436, telephone (202) 205-2000. General information concerning the Commission may also be obtained by accessing its Internet server at <http://www.usitc.gov>. The

public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at <http://edis.usitc.gov>. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205-1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on January 4, 2011, based on a complaint filed by Rambus Inc. of Sunnyvale, California (“Rambus”), alleging a violation of section 337 in the importation, sale for importation, and sale within the United States after importation of certain semiconductor chips and products containing the same. 76 *Fed. Reg.* 384 (Jan. 4, 2011). The complaint alleged the infringement of various claims of patents including U.S. Patent Nos. 6,470,405; 6,591,353; 7,287,109 (collectively, “the Barth patents”); and Nos. 7,602,857; and 7,715,494 (collectively, “the Dally patents”). The Barth patents share a common specification, as do the Dally patents. The notice of investigation named as respondents Freescale Semiconductor of Austin, Texas (“Freescale”); Broadcom Corp. of Irvine, California (“Broadcom”); LSI Corporation of Milpitas, California (“LSI”); Mediatek Inc. of Hsin-Chu, Taiwan (“Mediatek”); NVIDIA Corp. of Santa Clara, California (“NVIDIA”); STMicroelectronics N.V. of Geneva, Switzerland; and STMicroelectronics Inc. of Carrollton, Texas (collectively, “STMicro”), as well as approximately twenty customers of one or more of these respondents.

The investigation has since been terminated against many of the respondents on the basis of Rambus’s settlements with Broadcom, Freescale, and NVIDIA. Following the ALJ’s issuance of the ID, Rambus settled its dispute with Mediatek. On March 16, 2012, Rambus, Mediatek, and Mediatek’s customer-respondents Audio Partnership PLC and Oppo Digital, Inc., moved to

terminate the investigation as to Mediatek and these two customers. No oppositions were filed. The Commission has determined to grant the motion, terminating the investigation as to these three respondents.

LSI and STMicro are the only two manufacturer respondents remaining. With them as respondents are their customers Asustek Computer, Inc. and Asus Computer International, Inc.; Cisco Systems, Inc. (“Cisco”); Garmin International Inc.; Hewlett-Packard Company; Hitachi Global Storage Technologies; and Seagate Technology.

On March 2, 2012, the ALJ issued the final ID. The ID found no violation of section 337 for several reasons. All of the asserted claims were found to be invalid or obvious in view of the prior art under 35 U.S.C. §§ 102 and 103. The Barth patents were found to be unenforceable under the doctrine of unclean hands by virtue of Rambus’s destruction of documents. The ID also found that Rambus had exhausted its rights under the Barth patents as to certain products of one respondent. The ID found that all of the asserted patent claims were infringed, and rejected numerous affirmative defenses raised by the respondents.

On March 19, 2012, Rambus, the respondents and the Commission investigative attorney (“IA”) each filed a petition for review of the ID. On March 27, 2012, these parties each filed a response to the others’ petitions.

Having examined the record of this investigation, including the ALJ’s final ID, the petitions for review, and the responses thereto, the Commission has determined to review the final ID in its entirety.

In connection with the Commission’s review, the parties are asked to respond only to the questions enumerated below. Except as otherwise expressly indicated, the parties’ submissions are to be based on the ALJ’s claim constructions. The parties’ submissions should be limited to issues they have properly preserved and should be limited to the evidentiary record.

1. Claim Construction (Dally patents)
 - a. Why “output frequency” requires a construction setting forth a specific data rate per cycle, as opposed to the plain language of the claims, which requires only a particular output frequency, *i.e.*, a number of cycles per second.
 - b. If “output frequency” is construed not to require a particular data rate, the effect of that construction, if any, on the section 102 and 103 determinations on review, as set forth below.
2. Validity
 - a. The motivation to combine and secondary indicia of nonobviousness, for each section 103 combination upon which one or more parties petitioned for review. (Barth patents and Dally patents)
 - b. The pertinence, if any, of synchronous versus asynchronous prior art, and the motivation to apply the teachings of asynchronous art to synchronous systems. (Barth patents)
 - c. Whether the Harriman patent evidences the publication of the NeXTBus. specification, in view of the fact that NeXT is the assignee of the Harriman patent. (Barth patents)
 - d. Whether the respondents have demonstrated the publication date of the SyncLink specification (RX-4270C). (Barth patents)
3. Infringement
 - a. The disablement of the Cisco products with a disabled transmitter (Dally patents), *see* Resp. Pet. 48, as compared to the disablement of the SL500 prior art products, *see* Rambus Pet. 17-20.
 - b. Given that “in every infringement analysis, *the language of the claims*, as well as the nature of the accused products, dictates whether an infringement has occurred,” *Fantasy Sports Properties, Inc. v. Sportsline.com, Inc.*, 287 F.3d 1108, 1118 (Fed. Cir. 2002) (emphasis added), whether a finding of infringement or noninfringement of the asserted Dally claims should be guided by the claim language at issue in *Fantasy Sports, Silicon Graphics, Inc. v. ATI Technologies, Inc.*, 607 F.3d 784, 794 (Fed. Cir. 2010), *ACCO Brands, Inc. v. ABA Locks Manufacturer Co.*, 501 F.3d 1307, 1310 (Fed. Cir.

- 2007), or other Federal Circuit caselaw regarding active or enabled components.
- c. The infringement of asserted Dally '494 method claims 39, 40, and 42 in view of the ALJ's discussion at page 77 of the ID regarding enabled features of apparatuses.
 - d. Certain STMicroelectronics products are claimed to have substantial noninfringing uses by virtue of their compatibility with SDR memory. *See* Resps. Pet. 25; ID at 67 n.9. Explain with specificity and citations to the evidentiary record what these STMicroelectronics products are and your contention that these products have or lack substantial noninfringing uses.
4. Unclean Hands (Barth patents)
- a. Whether the doctrines of preclusion or *stare decisis* prevent Rambus from challenging the determinations from the 661 investigation as to the date upon which it was obligated to retain documents, or its bad faith.
 - b. Explain with specificity the factual distinctions between the records of the 661 investigation and this investigation, with respect to prejudice suffered or allegedly suffered by the respondents by reason of Rambus's destruction of documents.
5. Inequitable Conduct (Barth patents)
- In connection with Commission review, the parties are asked to brief the following issues relating to nondisclosure of the SyncLink specification (RX-4270C), and only that specification (*i.e.*, not other SyncLink publications and not RamLink):
- a. Whether the respondents have proven materiality of this particular document.
 - b. Whether the PTO's reexamination of the '109 patent demonstrates that the broadest reasonable construction of the '109 patent's "signal" is a construction broader than the '405 and '353 patents' "strobe signal."
 - c. If the broadest reasonable construction of "signal" in the '109 patent is "a signal," and not "a strobe signal," whether the SyncLink specification is cumulative with art presented to the PTO.
 - d. If inequitable conduct were to be found for the '109 patent, whether the '405 and '353 patents are also unenforceable.
6. Domestic Industry
- a. Whether, given the particular scope of the licensed field of each Rambus license, Rambus should nonetheless be required to allocate licensing expenses on a patent-by-patent basis.
7. Patent Exhaustion (Barth patents)
- a. Whether the licensed Samsung memory products substantially embody the Barth patents.

- b. What evidence, if any, demonstrates that the Samsung memory purchased (by the respondent discussed on the bottom half of page 337 of the ID, *see* Rambus Pet. 95-97), was ever located in the United States prior to incorporation into products overseas, and whether the respondent took possession of the memory in the United States.
- 8. Standing (Dally patents)
 - a. Whether Rambus is a *bona fide* purchaser pursuant to 35 U.S.C. § 261.
 - b. Whether UNC's claim of ownership is barred by laches.

The parties have been invited to brief only these discrete issues, as enumerated above, with reference to the applicable law and evidentiary record. The parties are not to brief other issues on review, which are adequately presented in the parties' existing filings.

In connection with the final disposition of this investigation, the Commission may (1) issue an order that could result in the exclusion of the subject articles from entry into the United States, and/or (2) issue one or more cease and desist orders that could result in the respondent(s) being required to cease and desist from engaging in unfair acts in the importation and sale of such articles. Accordingly, the Commission is interested in receiving written submissions that address the form of remedy, if any, that should be ordered. If a party seeks exclusion of an article from entry into the United States for purposes other than entry for consumption, the party should so indicate and provide information establishing that activities involving other types of entry either are adversely affecting it or likely to do so. For background, see *In the Matter of Certain Devices for Connecting Computers via Telephone Lines*, Inv. No. 337-TA-360, USITC Pub. No. 2843 (December 1994) (Commission Opinion).

If the Commission contemplates some form of remedy, it must consider the effects of that remedy upon the public interest. The factors the Commission will consider include the effect

that an exclusion order and/or cease and desist orders would have on (1) the public health and welfare, (2) competitive conditions in the U.S. economy, (3) U.S. production of articles that are like or directly competitive with those that are subject to investigation, and (4) U.S. consumers. The Commission is therefore interested in receiving written submissions that address the aforementioned public interest factors in the context of this investigation.

If the Commission orders some form of remedy, the U.S. Trade Representative, as delegated by the President, has 60 days to approve or disapprove the Commission's action. *See* Presidential Memorandum of July 21, 2005, 70 *Fed. Reg.* 43251 (July 26, 2005). During this period, the subject articles would be entitled to enter the United States under bond, in an amount determined by the Commission. The Commission is therefore interested in receiving submissions concerning the amount of the bond that should be imposed if a remedy is ordered.

WRITTEN SUBMISSIONS: The parties to the investigation are requested to file written submissions as set forth above. Parties to the investigation, interested government agencies, and any other interested parties are encouraged to file written submissions on the issues of remedy, the public interest, and bonding. Such submissions should address the recommended determination by the ALJ on remedy and bonding. Complainant and the IA are also requested to submit proposed remedial orders for the Commission's consideration. Complainant is also requested to state the dates that the patents expire and the HTSUS numbers under which the accused products are imported. The written submissions and proposed remedial orders must be filed no later than close of business on Friday, May 18, 2012 and responses to the Commission's questions should not exceed 100 pages. Reply submissions must be filed no later than the close

of business on Friday, June 1, 2012 and such replies should not exceed 60 pages. No further submissions on these issues will be permitted unless otherwise ordered by the Commission.

Persons filing written submissions must file the original document and 12 true copies thereof on or before the deadlines stated above with the Office of the Secretary. Any person desiring to submit a document to the Commission in confidence must request confidential treatment unless the information has already been granted such treatment during the proceedings. All such requests should be directed to the Secretary of the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 C.F.R. § 210.6. Documents for which confidential treatment by the Commission is sought will be treated accordingly. All nonconfidential written submissions will be available for public inspection at the Office of the Secretary.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. § 1337), and in sections 210.21, 210.42-46 and 210.50 of the Commission's Rules of Practice and Procedure (19 C.F.R. §§ 210.21, 210.42-46 and 210.50).

By order of the Commission.

James R. Holbein
Secretary to the Commission

Issued: May 3, 2012

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